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10 *Attorneys for Plaintiffs and  
11 the Class Members*

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UNITED STATES DISTRICT COURT FOR  
THE NORTHERN DISTRICT OF CALIFORNIA

Chelsea, LLC, Mark Russo, Allen Loretz, and  
Ivan Simpson, individually and on  
behalf of all others similarly situated,

Plaintiffs,

v.

Regal Stone, Ltd., Hanjin Shipping, Co., Ltd.,  
Conti Cairo KG, NSB Neiderelbe, Synergy  
Maritime, Ltd. *In Personam*; M/V Cosco  
Busan, their engines, tackle, equipment,  
appurtenances, freights, and cargo *In Rem*,

Defendants.

Case No. C-07-5800-SC

IN ADMIRALTY

**DECLARATION OF WILLIAM M.  
AUDET IN SUPPORT OF  
PLAINTIFFS' EX PARTE MOTION  
FOR ORDER TO SHOW CAUSE  
WHY A PROTECTIVE ORDER TO  
SUPERVISE OR OTHERWISE LIMIT  
COMMUNICATIONS WITH  
PUTATIVE CLASS MEMBERS  
SHOULD NOT ISSUE**

1 I, William M. Audet, declare as follows:

2 1. I am an attorney licensed to practice before all of the Courts of this State and am  
3 admitted to practice before the Northern District of California. I am counsel for Plaintiffs  
4 Chelsea, LLC, Mark Russo, Allen Loretz, Ivan Simpson and Class, and dozens of other potential  
5 victims of the Cosco Busan Oil Spill. I am a partner with the firm Audet & Partners, LLP,  
6 counsel of Plaintiffs and the Class in the above-referenced action. I have personal knowledge of  
7 the matters stated herein and if called as a witness, I could and would competently testify to the  
8 following:

9 2. I attended an in-person meeting with Mr. John Giffin (Counsel for Regal Stone,  
10 Ltd. Defendants) and Cynthia Hudson of Hudson Marine on December 14, 2007.

11 3. During the meeting, I was advised that 'advance' payments pursuant to the  
12 Hudson Marine Management Services claims administration would not bind any claimant to any  
13 particular out-of-court process, and that a claimant could nonetheless file, at anytime, a  
14 complaint in any court of competent jurisdiction.

15 4. At the end of the meeting, Mr. Giffin told me, in effect, that because my firm had  
16 demanded a bond to release the vessel Cosco Busan and had filed a Class Action, my clients  
17 would not be allowed to obtain 'advance' payments. When I said this was 'wrong' and 'unfair'  
18 to my clients, he indicated that my firm would 'not have any clients' any more, anyways. I  
19 asked him to send this position in writing to me, and he declined.

20 5. During the meeting, despite numerous requests for clarification of Marine  
21 Hudson's representational capacity of the various Defendants and / or the M/V Cosco Busan, no  
22 answer was provided.

23 6. This firm applied for an advance payment for one of our clients. After waiting  
24 over a week, Hudson Marine sent a rejection of the claim and request for advance. According to  
25 Ms. Cynthia Hudson, the rejection was purposeful for multiple reasons, including my client's  
26 lack of 'signing' onto an undisclosed claims process. Attached hereto as Exhibit A is a true and  
27 correct copy of a letter from Cynthia Hudson of Hudson Marine Management Services to Mr.  
28 Anthony Uriel, Esq., affiliated counsel to & Partners, LLP, dated January 11, 2008.

1       7.     News reports and information from other sources have made it clear that claim  
2     ‘advances’ have been paid to fisherman who essentially just showed that they owned a boat and  
3     were crab fisherman, and/or were represented by other law firms that have not filed class action  
4     complaints. Attached hereto as Exhibit B is a true and correct copy of an on-line article  
5     published by CBS Broadcasting Inc. on December 11, 2007, in which the author reports that  
6     “[t]he Cosco Busan’s ownership reached an agreement to provide about \$700,000 to crab  
7     fishermen whose livelihoods have been damaged by the spill.” The author further reports: “The  
8     relief agreement is preliminary, and will disburse \$5,000 to \$10,000 in insurance funds to each of  
9     the approximately 70 crab fishermen in San Francisco, Half Moon Bay and Bodega Bay  
10    represented by the San Francisco law firms of Hanson Bridgett and McGuinn, Hillsman and  
11    Palefsky, according to attorney Michael Duncheon.”

12 I declare under penalty of perjury of the laws of the United States of America that the  
13 foregoing is true and correct to the best of my knowledge. Executed this 17th day of January  
14 2008, at San Francisco, California. 

William M. Audet

# **Exhibit A**



• Marine • Environment • Safety & Security

January 11, 2008

Anthony Urie Esq.  
221 Main Street, Ste 1460  
San Francisco, CA 94105

Subject: Cosco Busan Claim; COBU-A035  
Your Client: Nick Sohrakoff

Dear Mr. Urie,

Thank you for your letter dated December 21, 2007 received in our Signal Hill, CA. office. Please forward all correspondence relating to this claim to our New Jersey office.

We acknowledge your request for a \$5,000 prepayment to Mr. Sohrakoff. However, we are not able to honor your request at this time. We have agreed to make pre-payments to eligible crab fisherman who meet the following criteria:

1. Show proof of landing at least 6000 lbs. of crab for the comparable 17 day period in the years preceding. This can be achieved by providing legible copies of the California Dept. of Fish & Game tickets for District 10, for the preceding 5 years;
2. Provide proof of ownership for their boat or business. This can be shown through their a copy of Vessel Documentation certificate and /or corporate federal tax ID number;
3. Provide proof of identification through a photo identification (valid driver's license) and social security number;
4. Provide a statement as to whether or not the claim includes the Captain and crew. If so, they must provide the names, addresses and SSN's of all crewmembers;
5. Agree in writing to that the claimant will continue to work through the Hudson Marine Management Services administrative process towards final settlement of their claim.

We would be happy to re-evaluate your request once the above criteria are met and documented. Should you have any questions please do not hesitate to contact me.

Sincerely,

Cynthia Hudson  
Hudson Marine Management Services  
(510) 658-9300

# **Exhibit B**

© Dec 11, 2007 12:07 am US/Pacific

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## SF Sues Ship Owner Over Spill; Crab Claims Settled

[Download A Copy Of The City's Lawsuit \(.pdf\)](#)

[Slideshow](#) | [Complete Video Coverage](#)

**SAN FRANCISCO (CBS 5 / KCBS / AP / BCN) —** The City of San Francisco filed suit Monday against the owner and operators of the container ship responsible for the Nov. 7 spill of 58,000 gallons of oil into San Francisco Bay.

The city's lawsuit filed in San Francisco Superior Court alleges negligence and seeks an unspecified amount of damages that it said will total in the millions of dollars.

San Francisco City Attorney Dennis Herrera contends that the ownership of the Cosco Busan and ship pilot Capt. John Cota violated California law by sailing the boat under dangerous conditions. The suit also said they failed to respond quickly enough to prevent a spill when the ship struck a Bay Bridge tower.

The lawsuit labeled the spill a "catastrophic blunder."

"This was a wholly avoidable incident that has caused more injury to the San Francisco Bay Area than we can yet begin to fathom," said Herrera, a former maritime lawyer.

Herrera sought compensation for the city's cost of dealing with and cleaning up the spill, damages for the economic impact on local beaches, wildlife, fishing and tourism and punitive damages for the defendants' alleged violation of state environmental protection laws.

The city's lawsuit is also based in part on the state of California's Lambert-Keene-Seastrand Oil Spill Prevention and Response Act, which makes ship owners and operators, "absolutely liable" for oil spills regardless of blame.

At least four other lawsuits have already been filed against the Cosco Busan's owner and operators.

Fishermen and fishing boat owners have filed two lawsuits in Superior Court and one in federal court for damage to their livelihood, while the U.S. government has sued in federal court over harm to navigable waters and federal beaches and marine sanctuaries.

Meanwhile, it appeared Monday that some of the fishing claims may be settled without court action.

The Cosco Busan's ownership reached an agreement to provide about \$700,000 to crab fishermen whose livelihoods have been damaged by the spill.

"I think they're trying to do the right thing. They know what a tough spot we were put in by this oil spill. Now we're getting a down payment on our losses that's going to help us stay in business," said Larry Collins, head of the San Francisco Crab Boat Owners Association.

The relief agreement is preliminary, and will disburse \$5,000 to \$10,000 in insurance funds to each of the approximately 70 crab fishermen in San Francisco, Half Moon Bay and Bodega Bay represented by the San Francisco law firms of Hanson Bridgett and McGuinn, Hillsman and Palensky, according to attorney Michael Duncheon.

Defendants in the city's lawsuit include the ship's owner, Regal Stone Ltd. of Hong Kong; the company that leased it, Hanjin Shipping Co. Ltd. of South Korea; and ship operators Fleet Management Ltd. and Synergy Maritime Ltd.

A spokesman for Regal Stone said the company would not comment on the case because of ongoing state and federal investigations into the spill.

"We're participating in all the investigations, but we're not commenting on any of the lawsuits out of respect for the process," spokesman Mike Hanson said.

Also named in the city's suit was Cota, 59, of Petaluma, who the U.S. Coast Guard said

Monday had not yet relinquished his federal Merchant Marine Officer's license, as the agency had requested. His state harbor pilot's license was suspended two weeks ago.

The Coast Guard asked Cota on Friday to voluntarily surrender the federal license, which is a prerequisite for receiving any state-issued license that would allow him to work as an officer on a commercial ship, said spokesman Dan Dewell. The action was taken because of questions about Cota's "physical competence," Dewell said, declining to elaborate.

Cota was given until Tuesday to hand over his federal mariner's license. If he does not comply, the Coast Guard could ask a judge to suspend or revoke it, he said.

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